

REMARKS

Claim 15 has been cancelled. Claims 1, 12, 13, 16, and 19 have been amended to clarify the subject matter regarded as the invention. Claims 1-14 and 16-23 are pending.

The Examiner has rejected Claims 1-14 and 16-23 under 35 U.S.C. §103(a) as being unpatentable over U.S. Pub. No. 2001/0037281 to French in view of U.S. Pub. No. 2003/0004850 to Li. The rejection is respectfully traversed.

The Examiner has acknowledged that French does not disclose determining a first and second optimal solution “upon completion of bidding” for a “plurality of lots.” Li describes a scheme in which a buyer can choose **whether** to impose **private buyer constraints** in determining an award schedule. (Li at [0062]). The buyer constraints in Li are “business rules” that are used to enforce “a pre-existing contract with a supplier that requires the buyer to award the supplier a predetermined amount of business” or constraints based on the reputation of a particular supplier. (Li at [0063]). “For example, a particular supplier may have a reputation for unreliability. Another supplier may be in a state of near insolvency. The buyer **may** wish to weigh such factors in awarding bids.” (Id.)

Allowing a buyer to modify an award that would otherwise be granted based on personal preferences, such as the reliability of the potential awardee, is not the same as “performing multiple iterations” of (1) “decreasing the number of suppliers in the family to form a reduced family” and (2) “determining a revised cost value for the reduced family” and then generating a second solution, or “performing multiple iterations” of (1) “increasing the number of suppliers in the family to form an increased family” and (2) “determining a revised cost value for the increased family” and then generating a second solution as recited in Claim 1. Therefore, Claim 1 is believed to be allowable.

Claims 2-14 depend from Claim 1 and are believed to be allowable for the same reasons described above.

Independent Claims 16 and 19 also recite “performing multiple iterations” of the steps described above and then “generating a second solution.” Therefore, independent Claims 16 and

19 are believed to be allowable. Claims 17-18 depend from Claim 16 and Claims 20-23 depend from Claim 19, and are believed to be allowable for the same reasons described above.

The foregoing amendments are not to be taken as an admission of unpatentability of any of the claims prior to the amendments.

Reconsideration of the application and allowance of all claims are respectfully requested based on the preceding remarks. If at any time the Examiner believes that an interview would be helpful, please contact the undersigned.

Respectfully submitted,

Dated: 7/8/08



Robyn Wagner
Registration No. 50,575
V 408-973-2596
F 408-973-2595

VAN PELT, YI & JAMES LLP
10050 N. Foothill Blvd., Suite 200
Cupertino, CA 95014